



Minutes Regular City Council Meeting May 8, 2014

Minutes of the Regular Council Meeting of Thursday, May 8, 2014, held at 7:30 p.m. in the Harry E. Mitchell Government Center, Tempe City Hall, City Council Chambers, 31 E. Fifth Street, Tempe, Arizona.

COUNCILMEMBERS PRESENT:

Mayor Mark W. Mitchell

Councilmember Robin Arredondo-Savage

Councilmember Kolby Granville

Councilmember Corey D. Woods

Vice Mayor Onnie Shekerjian

Councilmember Shana Ellis

Councilmember Joel Navarro

STAFF PRESENT:

Andrew Ching, City Manager

Judi Baumann, City Attorney

Various Department Heads or their representatives

Jeff Kulaga, Assistant City Manager

Brigitta M. Kuiper, City Clerk

Mayor Mitchell called the meeting to order 7:43 p.m.

1. Councilmember Ellis gave the invocation.
2. Mayor Mitchell led the audience in the **Pledge of Allegiance**.

3. MINUTES

A. Approval of City Council Meeting Minutes

Motion by Councilmember Granville to approve agenda items 3A1 – 3A4; second by Councilmember Arredondo-Savage. Motion passed unanimously on a voice vote 7-0.

1. Regular Council Meeting - April 10, 2014 and April 24, 2014
2. Issue Review Session - February 13, 2014 and February 27, 2014
3. Executive Session - April 24, 2014
4. Committee of the Whole - December 9, 2013

B. Acceptance of Board, Commission and Committee Meeting Minutes

Motion by Councilmember Granville to accept agenda items 3B1 – 3B2; second by Councilmember Woods. Motion passed unanimously on a voice vote 7-0.

1. Development Review Commission - April 8, 2014
2. Development Review Commission Study Session - April 8, 2014

4. REPORTS AND ANNOUNCEMENTS

A. Mayor's Announcements

1. Fred Guelich Employee Recognition

Mayor Mitchell called retired City employee, Fred Guelich, to the podium to acknowledge Mr. Guelich's 46 years

of service to the City of Tempe Fire Medical Rescue Department. Mayor Mitchell then read a proclamation declaring May 8, 2014, as Fred Guelich Day and Lifetime of Service Recognition Day in Tempe, Arizona.

2. Tree City USA Award and Growth Award

Mayor Mitchell called Shawn Thomason, Streets Maintenance Team Leader, and Oliver Ncube, Parks Manager, to the podium and presented them with a Tree City USA certification.

B. Manager's Announcements

Andrew Ching, City Manager, congratulated Fred Guelich.

5. CONSENT AGENDA

All items listed on the Consent Agenda will be considered as a group and will be enacted with one motion by the City Council unless an item is removed for separate consideration. Members of the public may remove public hearing items for separate consideration. Public hearing items are designated by an asterisk (*). Councilmembers may remove any item for separate consideration.

Motion by Vice Mayor Shekerjian to approve the consent agenda with the exception of item 5C6 which was removed for separate consideration; second by Councilmember Arredondo-Savage. Motion passed unanimously on a roll call vote 7-0.

A. Miscellaneous Items - None.

B. Award of Bids/Contracts

- 5B1.** Approved an increase in the contract amount with Maintenance Connection, Inc. for the implementation of a facility maintenance software system for the Public Works Department.

Fiscal Impact: Increase the contract in the amount of \$3,000 from \$56,275 to \$59,275. The \$3,000 annual vendor hosting fee is fixed for at least the next 5 years. Sufficient funds are available in General Fund – cost center 3241 (Facilities Services) for the anticipated expenditures in the current fiscal year.

- 5B2.** Approved a one-year sole source renewal of software maintenance and support services with Accela, Inc. for the city's enterprise-wide permitting software solution which allows information to be shared across city departments and with City of Tempe residents and businesses.

Fiscal Impact: Total cost of this contract will not exceed \$107,264.83 during the one-year contract renewal period. Sufficient funds have been appropriated in General Fund cost center - 1991 (IT Administration) for the anticipated expenditures in the current fiscal year.

- 5B3.** Awarded contracts to Audio Video Resources and Systems Electronic Group for the purchase of upgraded equipment for Tempe 11 to be overseen by the Communication and Media Relations division. **(Contract #2014-74A-B)**

Fiscal Impact: Total estimated cost of the contracts will not exceed \$160,000. Sufficient funds have been appropriated in the Governmental Grants or Donations Fund – cost center 1236 (Tempe 11) – for the anticipated expenditure in the current fiscal year.

- 5B4.** Approved a one-year contract renewal with JPMorgan Chase Bank, N.A. for lockbox services for the expedited collection of payments due the City for alarm permits, business sales tax, licensing, and utilities.

Fiscal Impact: Total cost of this contract will not exceed \$250,000 during the one-year renewal period. Sufficient funds are available in cost centers in the General Fund - 1831 (Accounting) and Water and Wastewater Fund - 1841 (Customer Services) for the anticipated expenditures in the current fiscal year.

- 5B5. Approved the one-year renewal of a contract with Artistic Land Management, Inc. to provide landscape maintenance services for transit properties for use by the Transit Division of the Public Works Department.

Fiscal Impact: Total cost of this contract will not exceed \$355,960 during the one-year renewal period. Sufficient funds have been appropriated in the Transit Fund – cost centers 3914 (Transit Operations - EVBOM), 3915 (Transportation Center), 3917 (Bus Stop and Bikeway Maintenance), and 3921 (Light Rail Operations) for the anticipated expenditures in the current fiscal year.

- 5B6. Approved the renewal of one-year contracts with Pioneer Sand Company and MDI Rock for the supply of a variety of decomposed granite, sand, and base material products that will be used by the Public Works Department.

Fiscal Impact: Total cost of these contracts will not exceed \$112,000 during the one-year renewal period. Sufficient funds have been appropriated in the General Fund - cost centers 2552 (Parks Maintenance – Administration), 2553 (Diablo Stadium Maintenance), 2554 (Parks Maintenance – Rio Salado), 2555 (Landscape Maintenance), 2556 (North Parks), 2557 (Parks Maintenance), and 2559 (South Parks) for the anticipated expenditures in the current fiscal year.

- 5B7. Approved the two-year renewal of a contract with Aquatic Consulting and Testing, Inc. for Tempe Town Lake cleaning, inspection, and maintenance services for use by the Public Works Department.

Fiscal Impact: Total cost of this contract will not exceed \$128,340 during the two-year renewal period. Sufficient funds have been appropriated in the Community Facilities District Fund - cost center 5014 (Lake Surface and Shoreline Cleanup) for the anticipated expenditures in the current fiscal year. The \$128,340 requested amount is comprised of the firm's annual rate of \$55,800 that will be used to handle all routine services, along with a 15% contingency amount of \$16,740 that will be used to respond to unanticipated lake conditions at the sole discretion of the City.

- 5B8. Approved the utilization of one-year Mohave Educational Services Cooperative, Inc. contracts with Shade 'N Net of Arizona, Inc. and USA Shade & Fabric Structures for manufacturing and installation of fabric shade structures at various facilities throughout the City.

Fiscal Impact: The total cost of these contracts will not exceed \$300,000 during the one-year period. Sufficient funds for anticipated expenditures in the current fiscal year have been appropriated in Capital Improvement Project No. 6305499, Park Playground Replacement; Project No. 6808A, Kiwanis Park Playground Renovation; and Project No. 6303009, Diablo Stadium Maintenance and Renovation.

- 5B9. Approved the utilization of a State of Arizona cooperative contract with Konica Minolta Business Solutions USA for the purchase of a copy/print management system to be managed by the Finance and Technology Department.

Fiscal Impact: The total cost of this contract will not exceed \$90,072.76. Sufficient funds have been appropriated in the General Fund cost centers - 1991 (IT Administration) and 1995 (IT Systems Admin.) for the anticipated expenditures during the current fiscal year.

- 5B10.** Approved the renewal of one-year contracts with Arizona Truck and Coach, Desert Edge Auto Body, Auto Body Specialists, All Pro Fleet Painting, Maaco Collision Repair and Auto Painting, and Caliber Bodyworks of Arizona for vehicle body repairs and painting to be used by the Public Works Department.

Fiscal Impact: Total combined cost of these contracts will not exceed \$70,000. Sufficient funds have been appropriated in the General Fund – cost center 3262 – for the anticipated expenditure in the current fiscal year.

- 5B11.** Approved a one-year Limited-Source contract renewal with MHA Consulting, Inc. for disaster recovery consulting services for the City's Information Technology Business Continuity Program that is managed by the Finance and Technology Department.

Fiscal Impact: Total cost of this contract will not exceed \$90,000 during the one-year renewal period. Sufficient funds have been appropriated in General Fund - cost center 1992 (IT Support Services) for the anticipated expenditures in the current fiscal year.

- 5B12.** Awarded a one-year contract to ORH Limited for a comprehensive Fire Station Location Study for the Fire Medical Rescue Department. **(Contract #2014-75)**

Fiscal Impact: Total cost of this contract will not exceed \$86,000. Sufficient funds have been appropriated in the Fire Protection Capital Improvement Project fund – cost center 5605939 (Fire Facility & Deployment) for the anticipated expenditures in the current fiscal year. This amount includes a 10% contingency.

- 5B13.** Awarded job order no. 5 to Pierson Construction Corporation for construction of a water distribution metering station at the intersection of Scottsdale and Curry Roads.

Fiscal Impact: The total job order amount is \$101,021.27 and the project contingency amount is \$15,000. Funds to cover this job order contract and related costs are appropriated for fiscal year 2013/14 in Capital Improvement Project No. 3201551, Miscellaneous Water Metering Stations.

- 5B14.** Awarded a construction contract to Cactus Asphalt, a Division of Cactus Transport, Inc. for street resurfacing on Priest Drive from Elliot Road to Carmen Street and on Grove Parkway from Priest Drive to Kyrene Road. **(Contract #2014-76)**

Fiscal Impact: The total contract amount is \$655,090 and the project contingency amount is \$65,500. Funds to cover this contract and associated costs are approved and appropriated for fiscal year 2013/14 in Capital Improvement Project No. 5499741, Arterial Resurfacing.

C. Resolutions

- 5C1.** Adopted **RESOLUTION NO. R2014.64** authorizing the selection and exclusive negotiations with Habitat for Humanity Central Arizona for the development of market rate and affordable housing on vacant land located at 1937 East Don Carlos Avenue, Tempe, 85282.

Fiscal Impact: Financial details will be determined through negotiation of the terms of the Development and Disposition Agreement and subject to Council approval.

- 5C2.** Adopted **RESOLUTION NO. R2014.65** authorizing the Mayor to execute the Second Amendment to the Development and Disposition Agreement between PIER AT TOWN LAKE, LLC and the City of Tempe located east of Rural Road on Rio Salado Parkway. **(Contract #2006-161A)**

Fiscal Impact: The Second Amendment requires Pier at Town Lake, LLC to pay the City of Tempe \$400,000 at the time of the first sale or transfer of any Developer parcel and a one-time fee of \$360,000 at the time of execution of the first lease for a Developer parcel.

- 5C3. Adopted **RESOLUTION NO. R2014.66** authorizing the Mayor to execute an Assumption Agreement among PIER AT TOWN LAKE, LLC, RIO SALADO DEVELOPMENT PARTNERS, LLC and the City of Tempe located east of Rural Road on Rio Salado Parkway. **(Contract #2006-161D)**

Fiscal Impact: The Assumption Agreement will not alter the financial terms of the Agreement.

- 5C4. Adopted **RESOLUTION NO. R2014.67** authorizing the Mayor to execute the Second Amendment to the Maintenance Agreement pertaining to the Pier at Town Lake property located east of Rural Road on Rio Salado Parkway. **(Contract #2007-172C)**

Fiscal Impact: The Amendment requires Pier at Town Lake, LLC to pay the City of Tempe's share of the maintenance cost for a period of three years following the execution of the Second Amendment.

- 5C5. Adopted **RESOLUTION NO. R2014.68** authorizing the submission of the City of Tempe's applications for funds from the Gila River Indian Community.

Fiscal Impact: If granted by the Gila River Indian Community, the City of Tempe will receive \$430,350 to fund programs.

- 5C6. **THIS ITEM WAS REMOVED FOR SEPARATE CONSIDERATION. SEE BELOW FOR DISCUSSION AND ACTION.** Adopt a resolution authorizing the submission of an application from The Centers for Habilitation to the Gila River Indian Community for a grant of gaming funds. (Resolution No. R2014.69)

CONSENT AGENDA ITEMS REMOVED FOR SEPARATE CONSIDERATION:

- 5C6. Resolution authorizing the submission of an application from The Centers for Habilitation to the Gila River Indian Community for grant gaming funds.

There was no discussion on agenda item 5C6. Councilmember Ellis declared a potential conflict of interest on agenda item 5C6.

Motion by Councilmember Woods to approve agenda item 5C6; second by Vice Mayor Shekerjian. Motion passed on a roll call vote 6-0-1 with Councilmember Ellis abstaining.

- 5C6. Adopted **RESOLUTION NO. R2014.69** authorizing the submission of an application from The Centers for Habilitation to the Gila River Indian Community for grant gaming funds.

Fiscal Impact: The City of Tempe will serve as a pass through for this grant request of \$9,000. There is no fiscal impact to the City of Tempe.

6. NON-CONSENT AGENDA

All items listed on the Non-Consent Agenda will be considered separately. Agenda items scheduled for Introduction and First Public Hearing will be heard, but will not be voted upon at this meeting. Agenda items

scheduled for Second Public Hearing and Final Adoption will be voted upon tonight.

A. Miscellaneous Items/Bids/Contracts/Resolutions - None.

B. Ordinances and Items for Introduction and First Hearing

***6B1. Ordinance reducing the transaction privilege tax rate.**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B1.

- *6B1.** Introduced and held the first public hearing to adopt an ordinance amending Chapter 16, Articles IV and VI, Tempe City Code, relating to the reduction of the transaction privilege tax rate to reflect the expiration of the two-tenths percent temporary transaction privilege tax effective June 30, 2014. The second and final public hearing was scheduled for May 22, 2014. (Ordinance No. O2014.21)

Fiscal Impact: The reduction of tax rates enacted will result in an annual reduction of transaction privilege tax revenues of approximately \$11.5 million beginning in fiscal year 2014-15.

C. Ordinances and Items for Second Hearing and Final Adoption

***6C1. Resolution and Public hearing authorizing the Community Development Block Grant and HOME Program Action Plan for Fiscal Year 2014-2015.**

Mayor Mitchell opened the public hearing. There was no discussion or public comment on agenda item 6C1.

Motion by Councilmember Granville to approve agenda item 6C1; second by Councilmember Woods. Motion passed unanimously on a roll call vote 7-0.

- *6C1.** Held the second and final public hearing and adopted **RESOLUTION NO. R2014.40** authorizing the Community Development Block Grant and HOME Program Action Plan for Fiscal Year 2014-2015.

Fiscal Impact: Funding for the activities proposed in the Action Plan is federal. There is no fiscal impact on City funds.

7. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS

Vice Mayor Shekerjian

- Sundays, 8 a.m. – 1 p.m., Tempe Community Market, operated by Tempe Community Action Agency
- Happy Mother's Day
- Happy 35th wedding anniversary to her husband

Councilmember Ellis

- Saturday, May 10, 2014, Neil G. Giuliano Park artwork dedication
- Happy 85th Birthday to her mother

Councilmember Arredondo-Savage

- Congratulations to Fred Guelich

- Congratulations to Neil Giuliano regarding the park artwork dedication
- School will be out soon; thanked teachers and staff
- Happy Mother's Day
- Happy Birthday to her son

Councilmember Navarro

- Congratulations to Fred Guelich
- Congratulations to Neil Giuliano regarding the park artwork dedication
- Saturday, May 17, 2014, Java with Joel at Gold Bar Espresso

Councilmember Granville

- The Tempe Public Library will waive late fines for returning library materials in exchange for a case of water during the month of May

Mayor Mitchell

- Saturday, May 10, 2014, Neil G. Giuliano Park artwork dedication event
- Condolences to the Moeur family on the passing of John Moeur
- Happy Mother's Day
- Happy Birthday to his daughter

8. PUBLIC APPEARANCES

A. Scheduled

1. Thomas Reade, Cover Arizona Coalition Coordinator, provided an update on the coalition's efforts to assist individuals in signing up for healthcare and assisting small business owners. He noted that one of their business locations is in the City of Tempe.
2. Rodney Hu, Tempe, partial owner of the Yucca Tap Room located in Danelle Plaza, spoke about challenges he experienced during the City of Tempe special event permitting process; he requested that the process be re-evaluated. He concluded by talking about two lots in Danelle Plaza that were purchased by the City of Tempe.

B. Unscheduled – None.

The meeting adjourned at 8:08 p.m.

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the Regular City Council meeting of May 8, 2014, by the Tempe City Council, Tempe, Arizona.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk